

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 479 - SB 836

March 30, 2017

SUMMARY OF BILL: Requires the Department of Commerce and Insurance (DCI) to implement and enforce applicable provisions of the *Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008*. Requires the DCI to issue an annual report and provide an educational presentation to the General Assembly, as well as post the report on the Department's website. The Commissioner of the DCI must monitor health benefit plan claims for mental health and alcoholism or drug dependence benefits on the ground of medical necessity.

ESTIMATED FISCAL IMPACT:

**Increase State Expenditures - \$3,200/One-Time
\$71,400/Recurring**

Assumptions:

- The *Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008* is a federal law that prevents group health plans and health insurance issuers that provide mental health or substance use disorder benefits from imposing less favorable benefit limitations on those benefits than on medical or surgical benefits.
- Based on information provided by the DCI, one Actuarial and Compliance Analyst 2 position is required to fully comply with the requirements of the proposed legislation.
- The one-time increase in state expenditures associated with the position is estimated to be \$3,200 (\$1,200 computer cost + \$2,000 office furniture)
- The recurring increase in state expenditures associated with the position is estimated to be \$71,407 (\$49,044 salary + \$15,063 benefits + \$6,100 administrative cost + \$600 network cost + \$600 supplies).

IMPACT TO COMMERCE:

NOT SIGNIFICANT

Assumption:

- The proposed legislation is estimated to have no significant impact on commerce or jobs in Tennessee.

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CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in dark ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

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